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SENATE BILL 3036 By
Harper

HOUSE BILL 2727
By Eckles

AN ACT to amend Tennessee Code Annotated, Title 56, relative to
continuity of care under certain health contracts or plans.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 23, is amended by
adding the following language as a new, appropriately designated section:

Section _____. (a) When health care insurers use participating providers, the
insurers shall develop procedures to provide for the continuity of care of covered
insureds, enrollees or beneficiaries. "Health care insurer" means an entity regulated
under this title that uses participating providers and offers health insurance coverage,
which shall include any individual, franchise, blanket or group health insurance policy,
medical service plan contract, hospital service corporation contract, hospital and medical
service corporation contract, fraternal benefit society contract, or such contract with a
health maintenance organization or managed care organization.

Such procedures shall, at a minimum:

(1) Ensure that when a new person is enrolled in a health benefit contract
or plan and is being treated by a non-participating provider for a current episode
of an acute condition, the patient may continue to receive treatment as an in-
network benefit from that provider until the current course of treatment for the
episode ends;

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(2) Ensure that when a provider's participation is terminated, such provider's patients under the contract or plan may continue to receive care from that provider as an in-network benefit until a current episode of treatment for an acute condition is completed or until the end of ninety (90) days, whichever occurs first; and

(3) Explain how the covered person may request to continue services under subdivisions (1) and (2).

(b) During the period covered by subdivisions (a)(1) and (2), the provider shall be deemed to be a participating provider for purposes of reimbursement, utilization management, and quality of care; in no event shall such a provider receive less than the full, normal reimbursement such provider would have received had the provider remained as a participating provider under the contract or plan.

(c) Nothing in this section shall require a health care insurer to provide benefits that are not otherwise covered under the terms and provisions of the contract or plan.

SECTION 2. This act shall take effect July 1, 1998, the public welfare requiring it.